

Securities Purchase Agreement (draft from O.C.)-Final (N0583265.DOC;2)

Page 37 of 44

EXHIBITS

Exhibit A	Form of Warrant
Exhibit B	Company Counsel Opinion
Exhibit C	Transfer Agent Instructions
Exhibit D	Plan of Distribution

{203840.0002/N0583265_2}

Securities Purchase Agreement (draft from O.C.)-Final (N0583265.DOC;2)

Page 38 of 44

EXHIBIT A -
FORM OF WARRANT

{203840.0002/N0583265_2}

EXHIBIT B

FORM OF LEGAL OPINION

Subject to the foregoing, it is our opinion that, as of the date hereof:

1. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Florida and is duly qualified as a foreign corporation in each state where it is required to so qualify, except where the failure to so qualify would not have a Material Adverse Effect on the Company, and has the requisite corporate power to own its properties and to carry on its business as now being conducted.

2. Assuming and relying upon the truth and accuracy of the representations and warranties contained in the Agreement by all the parties thereto, (i) the Company has the requisite corporate power and authority to enter into and perform its obligations under the Transaction Documents and to issue the Common Shares, the Warrants and the Warrant Shares, in accordance with the terms of the Agreement; (ii) the execution, delivery and performance of the Transaction Documents by the Company and the consummation by it of the transactions contemplated thereby, have been duly authorized by the Company's Board of Directors, and no further consent or authorization of the Company or its Board of Directors or stockholders is required; and (iii) the Transaction Documents constitute legal, valid and binding obligations of the Company enforceable against the Company in accordance with their terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting the enforcement of creditors' rights.

3. The Common Shares and the Warrants have been duly authorized and, upon issuance in accordance with the Agreement and receipt by the Company of the full consideration therefor, the Common Shares will be validly issued, fully paid and nonassessable. The Warrant Shares, upon issuance in accordance with the Warrants, including the Company's receipt of the full consideration therefor, will be validly issued, fully paid and nonassessable. The Common Shares and the Warrant Shares are not subject to any preemptive rights contained in the Certificate of Incorporation or Bylaws of the Company. To Counsel's knowledge, the Company has duly and validly reserved for issuance a sufficient number of shares of Common Stock to effect the issuance of the Warrant Shares pursuant to the Transaction Documents.

4. The execution, delivery and performance of the Transaction Documents by the Company and the consummation by the Company of the transactions contemplated by the Transaction Documents, including without limitation the issuance of the Common Shares, the Warrants and the Warrant Shares in accordance with the terms of the Agreement and the Certificate of Incorporation (as amended to date), do not and will not result in a violation of the Certificate of Incorporation (as amended to date), or Bylaws, or to our knowledge, conflict with, or constitute a default under any Material Agreement.

5. The execution, delivery and performance of the Transaction Documents by the Company and the consummation by the Company of the transactions contemplated by the Transaction Documents, (i) do not and will not result in a violation of any federal or Florida law, rule or regulation applicable to the Company, or, to our knowledge, any order,

judgment or decree by which any property or asset of the Company is bound, and (ii) will not require the Company to obtain any approval, consent, authorization, waiver, exemption or order of, or make any filing or registration with, any federal or Florida court or governmental or regulatory agency having jurisdiction over the Company in order for it to execute, deliver or perform any of its obligations under the Transaction Documents or to issue and deliver the Common Shares, the Warrants and the Warrant Shares in accordance with the terms of the Transaction Documents (other than any filings with the Securities and Exchange Commission or under state securities laws that may be required to be made by the Company subsequent to the Closing).

6. Based upon the representations and warranties of the Buyers and the Company, the offer, issuance, sale and delivery of the Common Stock, Warrants and Warrant Shares to the Buyer in accordance with the terms of the Transaction Documents constitute a transaction exempt from registration under Section 5 of the Securities Act of 1933, as amended, pursuant to Regulation D promulgated thereunder.

7. To our knowledge, there is no action, suit, claim, investigation or proceeding pending or threatened against the Company or the Subsidiary which questions the validity of the Agreement or the transactions contemplated thereby or any action taken or to be taken pursuant thereto. To our knowledge, there are no outstanding orders, judgments, injunctions, awards or decrees of any court, arbitrator or governmental or regulatory body against the Company or the Subsidiary or any officers or directors of the Company or the Subsidiary in their capacities as such.

{203840.0002/N0583265_2}

EXHIBIT C**COMPANY TRANSFER AGENT INSTRUCTIONS**

American Stock Transfer and Trust Company
 59 Maiden Lane
 New York, NY 10038

Attention: _____

Ladies and Gentlemen:

Reference is made to that certain Securities Purchase Agreement, dated as of December __, 2005 (the "**Agreement**"), by and PainCare Holdings Inc., a Florida corporation (the "**Company**"), and the investors named on the Schedule of Buyers attached thereto (collectively, the "**Holders**"), pursuant to which the Company is issuing to the Holders shares (the "**Common Shares**") of Common Stock of the Company, par value \$.0001 per share (the "**Common Stock**"), and Warrants (the "**Warrants**"), which are exercisable into shares of Common Stock.

This letter shall serve as our irrevocable authorization and direction to you (provided that you are the transfer agent of the Company at such time):

(i) to issue shares of Common Stock upon transfer or resale of the Common Shares; and

(ii) to issue shares of Common Stock upon the exercise of the Warrants (the "**Warrant Shares**") to or upon the order of a Holder from time to time upon delivery to you of a properly completed and duly executed Exercise Notice, in the form attached hereto as Exhibit I, which has been acknowledged by the Company as indicated by the signature of a duly authorized officer of the Company thereon.

You acknowledge and agree that so long as you have previously received (a) written confirmation from the Company's legal counsel that either (i) a registration statement covering resales of the Common Shares and the Warrant Shares has been declared effective by the Securities and Exchange Commission (the "**SEC**") under the Securities Act of 1933, as amended (the "**1933 Act**"), or (ii) sales of the Common Shares and the Warrant Shares may be made in conformity with Rule 144 under the 1933 Act ("**Rule 144**"), (b) if applicable, a copy of such registration statement, and (c) notice from legal counsel to the Company that a transfer of Common Shares and/or Warrant Shares has been effected either pursuant to the registration statement (and a prospectus delivered to the transferee) or pursuant to Rule 144, then, unless otherwise required by law, within three (3) business days of your receipt of the notice referred to in (c), you shall issue the certificates representing the Common Shares and the Warrant Shares so sold to the transferees registered in the names of such transferees, and such certificates shall not bear any legend restricting transfer of the Common Shares and the Warrant Shares thereby and should not be subject to any stop-transfer restriction.

A form of written confirmation (to be used in connection with any sale) from the Company's outside legal counsel that a registration statement covering resales of the Common Shares and the Warrant Shares has been declared effective by the SEC under the 1933 Act is attached hereto as